## INFORMATION REPORT INFORMATION REPORT

## CENTRAL INTELLIGENCE AGENCY

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meeting in East Berlin was prepared in Budapest before the Committee departed.

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This speech contained the same Communist arguments and slogans against rearmament that appeared in the Hungarian newspapers and the newspapers of other Satellite countries. The Communists emphasized the attempts the Soviets were making for lasting peace and pointed out that the possibility of peaceful coexistence between Communism and capitalism had already been claimed by Stalin. Further, that the Soviet Union clearly followed a policy which showed that they were not preparing for war and that they were always ready to conduct peaceful negotiations; all Communists should fight against the great dangers of an atomic war which the US and their lackeys intended to unleash and, if West Germany were rearmed, the Soviet Union should be prepared for counter-measures.

True Hungarian Communists never hesitated to spread official Communist propaganda.

there was no difference between the Americans and Hitlerites and that the Americans would never hesitate to commit the same kind of crimes committed by the Nazis during the time they were in power.

it would be better if West Germany were allowed to join NATO than to let the West Germans have a strong independent army supported by the US. Jewish employees of the WFDY widely discussed the horrors of the Nazi death camps which existed during Hitler's régime.

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Non-Communist Hungarians never dared to argue with the Communists and expressed their views only in family circles and with trusted friends. The majority of the population accepted the news of West Germany's rearmament with great joy. Although the Hungarians dislike the existence of a strong German "Reich", which has always been a threat to small European nations, Soviet rule in Hungary means a slow, but complete, extermination of the country. World-wide political events in the last ten years have definitely showed diplomatic skill on the part of the Soviets and a tendency for appeasement on the part of the Western Powers. For ten years, the Hungarians have waited to be liberated from the Communist yoke which they cannot destroy by their own actions. Hungarians know that the German soldier, one of the best in Europe, is the only one the Soviet soldier fears. They know that the worst enemy of West German is Communism and that the rearmament of West Germany is one of the first steps toward liberating Communist-ruled countries and pitting power against power; the Soviet cannot be defeated by negotiation and appeasement and they know that a gentleman cannot be the business partner of a criminal. Hungarians ask how anyone can sign a contract or make an agreement when he knows that the other party will not abide by the contract or agreement and that he will not be forced to comply. Negotiations with the Soviets is a waste of time and money and time works for the Soviets. The fruitless efforts for liberating the Satellites in the past ten years have shaken the faith of those nations and have made them feel that they are given the "devil's shake" forever. Although all Hungarians would dislike a new war, they can see no other way for escaping extermination; therefore, they have welcomed the news of West Germany's rearmament with joy and hope for a better future.

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